

SOVIET SHIPS

Approved For Release 2003/08/26 : CIA-RDP80R01443R000200360010-1

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NSC BRIEFING

14 July 1954

I. Chinese Nationalist seizure of Soviet tanker TUAPSE 23 June (climaxing earlier seizures of Polish PRACA, GOTTWALD) has disrupted bloc ocean traffic to China.

A. Three Soviet tankers held Singapore over two weeks; sailing plans three others changed. These six, plus TUAPSE, nearly one-third total Soviet ocean tanker tonnage. Tie-up, delay vessels, cargoes, costly.

B. UK insurance rates such shipments have jumped from 1% to 5% of cargo value, effective 24 June. This an added cost factor.

C. Since TUAPSE seizure, additional thirteen Soviet, Polish, Finnish

NSA review completed

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freighters with bloc cargo
for China have reached South
China Sea. Potential traffic
jam means time for action at hand.

III. Meanwhile, TUAPSE still held at
Kaohsiung. Nationalists unloaded
cargo over two weeks ago.

A. Now working on crew to defect.
No success reported to date;